

Treasurer/Collector- Important Tax Information for Owners of Newly Developed Condominiums

If you recently purchased a newly developed condominium (E.G.: one unit of a two- family or three-family; or new construction; et cetera), the Assessing Department may not have your unit listed as an individual condominium. Your property may still be listed as the master (original, pre-condo) parcel. For Real Estate Tax billing purposes, the property is still listed as a master parcel and is billed as a two-family, three-family, four-family, etc. If your property is still listed as a master parcel, the tax bill is for the entire building!

Your Unit Deed will state your percentage interest in the master parcel (common areas). Your percentage interest in the master parcel determines the percentage you owe on the master parcel's tax bill. Until you are billed separately for your own, individual condominium unit, you should want to pay only your percentage interest in the tax bill and not the bill for the entire building. Contact the Treasury Department for a duplicate bill if necessary.

This is the same even if your mortgage company pays your taxes. Your mortgage company will need to know your percentage interest in the master parcel to ensure they pay only your obligation/percentage interest of the bill.

You are responsible for paying taxes from the day you own the property. Typically, prior and current taxes due are paid during the settlement/closing and are listed on the HUD Settlement statement. The HUD Statement typically lists the tax period covered by the tax payment made by the attorney as a result of your closing. After the closing, you are responsible for all back taxes that are not paid at the closing.

When paying taxes under the master parcel's account number, you should keep all of your payment records and inform your condo association of same. **PUT THE ACCOUNT NUMBER AND YOUR UNIT NUMBER ON YOUR CHECK, MAIL YOUR PAYMENT TO OUR OFFICE AT 93 HIGHLAND AVENUE AND KEEP ACCURATE RECORDS OF HOW MUCH YOU PAID AND WHEN.** Payments processed by the cashiers in the Treasury Department have the check numbers documented in the payment history (see "Transactions Inquiry" report, checks have a "K" before the check number). Payments sent to the lockbox service (PO Box 197) must have a bill copy or our bank cannot process.

In the event there is a delinquent balance due on the master parcel after you get your own account number, you will be able to prove that you paid your percentage interest of the master parcel's tax bill.

It is City policy not to issue refund checks for credit balances in the current Fiscal Year because all tax bills for the current fiscal year have not yet been issued. If you or your mortgage company overpaid in one quarter, deduct that overpayment from the amount you owe in the next quarter. Inform your condo association of same. Please read the refund policy, entitled "Refund Requests for Credit Balances" to see what documentation is required for refunding credit balances after the

May 1st due date. The Refund Policy is found on the Treasury Department's web-page and is entitled "Refund Requests for Credit Balances" and may be found at:

www.somervillema.gov/departments/finance/treasurer-collector/refund

If you do not have internet access, please contact our office to have the policy mailed to you.